



Memorandum

TO: RULES AND OPEN GOVERNMENT
COMMITTEE

FROM: Mayor Chuck Reed

**SUBJECT: DISCUSSION REGARDING
NOVEMBER 2012 LIBRARY
BALLOT MEASURE**

DATE: August 1, 2012

Approved

Chuck Reed

Date

8/1/12

RECOMMENDATION

Defer consideration of the library funding carve-out charter amendment until after the time for collecting signatures has expired.

BACKGROUND

The ballot measure proponents have said they do not have enough signatures to require this measure to go on the ballot. However, they still have until September 18 to gather signatures. No action should be taken until they have submitted their signatures for verification.

The proposed initiative seeks to establish and implement a set-aside Library Fund through a charter amendment. With this, the funding dedicated to the San Jose Library Department would increase by nearly \$16 million. However, these additional funds for the library would have to come from other departments.

The proposed charter amendment would create a bad budgeting policy with a carve-out just for libraries. It would also create a budget disaster for other departments in the 2013-2014 fiscal year when we are expecting a large jump in retirement costs and a budget shortfall of \$22 million, of which less than half of the shortfall is addressed with ongoing funds through the 2013-2014 Future Deficit Reserve. Not only do we need to replace our one-time funds set aside to resolve the currently projected 2013-2014 budget shortfall, we now better understand the risk that the foreseen shortfall may grow even higher next year.

Given these circumstances and after ten years of cutting services, taking an additional \$16 million from our police, fire, parks and recreation and other service departments is just not acceptable. According to the City Manager, these potential service reductions would likely come from:

- Elimination of 2012-2013 Ongoing Additions (e.g., infrastructure/technology investments, Safe Schools Campus Initiative, Police Horse Mounted Unit, senior wellness, landscape watering)

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Subject: Discussion Regarding November 2010 Library Ballot Measure

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- Reduction of 20-25 Police Officer positions
- Elimination of one Fire Engine Company
- Closing 25% of Community Centers/Re-Use Centers
- Reduction of Park Rangers
- Reduction of Pavement Maintenance
- Reduction of Children's Health Initiative (50%)
- Reduction of San Jose BEST (50%)
- Reduction of Strategic Support Functions (e.g., Finance, Information Technology, Human Resources, Public Works)

The Library Department should get more funding, but not at the expense of police, fire or parks. The best way to get more funding for libraries is by implementing Measure B and the other elements of our Fiscal Reform Plan.

The Fiscal Year 2012-2013 budget includes funding to open the city's four recently constructed libraries (Bascom, Calabazas, Seven Trees, and Educational Park). Priority for additional library funding will be considered in the service restoration priorities session on August 7.

We have a process in place to restore services to our libraries. When the City Council approved the Budget Message, direction was given for the City Manager to bring back to Council on August 7th a recommended priority list of services to be restored as funding allows over the next few years for the Council to consider and approve prior to the deliberations on the potential sales tax measure. If Councilmembers and ballot measure proponents wish to demonstrate their support for libraries, they can request libraries to be placed at the top of the service restoration priority list.